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Reply Brief  
U.S. Application Serial No. 09/431,558  
Attorney Docket No. 031792-0311528

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

IN RE PATENT  
APPLICATION OF: Craig W. BARNETT *et al.*

SERIAL NO.: 09/879,825  
ATTORNEY  
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FILING DATE: June 12, 2001

ART UNIT: 3622

EXAMINER: A. DURAN

FOR: METHOD AND SYSTEM FOR ELECTRONIC DISTRIBUTION  
OF PRODUCT REDEMPTION COUPONS

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REPLY BRIEF

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Sir:

L INTRODUCTION

This Reply Brief is being filed within two months of the Examiner's Answer mailed June 27, 2005. This Brief responds to the points raised by the Examiner's Answer.

A. The Status of the Claims

Claims 47-63 are pending in the application.

Claims 52 and 58 stand rejected under 35 U.S.C. §112, first paragraph.

Claims 47-51 and 53-60 stand rejected under 35 U.S.C. §103(a) as allegedly being unpatentable over U.S. Patent No. 4,882,675 to Nichtberger *et al.* ("Nichtberger") in view of U.S. Patent No. 5,380,991 to Valencia *et al.* ("Valencia").

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Claims 52 and 63 stand rejected under 35 U.S.C. §103(a) as allegedly being unpatentable over the combination of Nichtberger and Valencia, further in view U.S. Patent No. 5,592,378 to Cameron *et al.* ("Cameron").

Claims 47-63 stand rejected under 35 U.S.C. §103(a) as allegedly being unpatentable over U.S. Patent No. 5,227,874 to Von Kohorn in view of U.S. Patent No. 5,734,823 to Saigh *et al.* ("Saigh").

The Examiner has failed to initiate an Interference between the above-identified application, and U.S. Patent No. 6,076,069 to Laor.

## II. RESPONSE TO EXAMINER'S ARGUMENTS

### A. The Examiner continues to erroneously allege that the specification fails to provide support for claimed limitations

Claims 52 and 58 are supported by the Specification and satisfy the requirements of 35 U.S.C. §112, first paragraph. The Examiner's Response to the arguments regarding no support in the specification for the claim features of claims 52 and 58 are legally improper and fail to consider the disclosure as a whole.

#### 1. Claim 52.

With regard to claim 52, the Examiner erroneously alleges that the Specification fails to provide support for a "TCP/IP" network. Claim 52 recites "...wherein said communications channel includes a TCP/IP based network." The Examiner alleges in the Examiner's Answer, on page 20, lines 8-9, that "Applicant can not claim something broader than what is supported in the Specification. A TCP/IP network is broader than the Internet." This argument, however, fails to consider the entirety of the Appellants' Specification. The specification clearly discloses use of the Internet (which the Examiner admits is an example

of a TCP/IP network) and further discloses use of "any transmission means" (which includes other TCP/IP networks). *See Specification, page 15, lines 5-8 below:*

"Thus, any centrally located computer system which is accessible to the public by any transmissions means is contemplated as being within the scope of this invention (emphasis added)." *See page 15 lines 5-8.*

Clearly, the Specification as a whole supports use of a specific TCP/IP network (i.e. the Internet) as admitted by the Examiner, and other TCP/IP networks.

To satisfy the written description requirement, it is not necessary for the claimed subject matter to be described *in haec verba* in the specification. *University of Rochester v. G.D. Searle & Co., Inc.*, 358 F.3d 916, 922-923, 69 U.S.P.Q. 2d (BNA) 1886, 1892 (Fed. Cir. 2004). *See also Koto Manufacturing Co., Ltd. v. Turn-Key-Tech, LLC*, 381 F.3d 1142, 1154, 72 U.S.P.Q. 2d (BNA) 1190, 1199 (Fed. Cir. 2004) (quoting *Lockwood v. Am. Airlines, Inc.*, 107 F.3d 1565, 1572, 41 U.S.P.Q. 2d (BNA) 1961, 1966 (Fed. Cir. 1997)).

Accordingly, the rejection of claim 52 is legally improper and should be reversed.

## 2. Claim 58

With regard to claim 58, the Examiner erroneously alleges that the Specification does not disclose a step wherein "the server receives a request for information from the client prior to establishing a connection over a communications channel between a client and a server." *See Examiner's Answer, at page 20, lines 15-17.*

The Examiner raised this §112 rejection in the first Office Action mailed November 11, 2002. The March 3, 2003 Interview Summary indicated that it was agreed that there was support for this claimed feature and that the 35 U.S.C. §112 rejection in the previous office action would be withdrawn. Therefore, according to the agreements already reached in that interview, the rejection should be removed.

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Moreover, Appellants' Specification discloses the claim feature at least at page 10, lines 8-10 and lines 27-30; page 15, line 30- page 16, line 2; page 19, lines 4-20; and page 21, line 29- page 22 line 10. For example, in page 21, line 29-page 22 line 10 of Appellants' Specification, a user via a client (6) may transmit a request for electronic coupons from an online service provider (2). The user, via the client (6), may then perform the download of the requested coupon package over a communications channel between the client (6) and online service provider (2). This is one clear example of a server receiving "a request for information from the client prior to establishing a connection over a communications channel between a client and a server." Accordingly, for at least the reasons set forth above, the rejection of claim 58 is improper and should be reversed.

B. The Examiner has Improperly Rejected Claims 47-63 under 35 U.S.C §103(a).

1. *Claims 47-51 and 53-56 are patentable under 35 U.S.C §103(a) over Nichtberger in view of Valencia.*

Independent claim 47 and dependent claims 48-51 and 53-56 are patentable under 35 U.S.C §103(a) over Nichtberger in view of Valencia. Nichtberger is directed generally to a system for providing in-store distribution and redemption of coupons using an in-store coupon distribution and redemption unit (CDR) and an in-store manual checkout station. While in the store, a customer may select coupons at the CDR using a card and then redeem the coupons selections at a checkout station by presenting the card. The CDR and the checkout station employ separate manual card readers. *See* Nichtberger, col. 5 lines 1-25. Various embodiments of the invention, on the other hand, are directed generally to distributing and automatically redeeming electronic coupons over a common communications channel. *See* Appellants' Specification, page 10, lines 22-25, page 14, line 23- page 15, line 1. For example, a consumer can download a coupon from a first server (e.g. a coupon

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distributor) and forward the coupon electronically to a second server (e.g. an e-commerce website) for redemption at the second site. Nichtberger relates to an *in-store system* for the manual redemption of coupons, while aspects of the present invention relate to automated redemption of coupons using a communications channel (e.g. the Internet).

Valencia fails to cure the deficiencies of Nichtberger. Valencia is directed generally to a discount debit card used to track total discounts earned by a customer. See Valencia, col. 3 lines 23-30. Valencia also fails to disclose a system for automatic redemption of coupons over a common communications channel.

The claimed invention is patentable over Nichtberger in view of Valencia for at least the following reasons:

- a. Several claim elements are missing from the references including "client system" and/or "client," and "communications channel", among other elements.
- b. There is no teaching, suggestion, or motivation to combine Nichtberger and Valencia.
- a. Several claim elements are missing from the references including "client system" and/or "client," and "communications channel," among other elements.

Nichtberger and Valencia fail to teach a system for distributing electronic coupons, as claimed. In particular, Nichtberger as modified by Valencia, fail to disclose at least the claim features of:

1. a client system;
2. a second server system connected to the same communications channel as the first communications channel; and
3. the first server system being adapted for transmitting an electronic coupon to said client system over said communications channel, and the client system being

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adapted for storing said electronic coupon in said memory.

1. Nichtberger/Valencia fail to disclose a client system

The Examiner continues to rely on a strained and legally improper interpretation of the claimed "client system". The Examiner alleges that "the word 'client' nor any of its derivatives appear anywhere in the Appellants' Specification. From this the Examiner concludes he is free to give the term 'client' a broad interpretation. *See Examiner's Answer, page 21, lines 7-9.* No legal support for this novel proposition is provided. It is clear that this purported attempt at an overly broad interpretation is necessitated by the weakness and lack of relevance of the prior art upon which the Examiner relies. The Examiner has attempted to create his own test for claim interpretation which is not legally proper. The Examiner recites a dictionary definition from the online Merriam-Webster dictionary for the word "client." *See Examiner's Answer, page 21, lines 14-17.* The Examiner fails to properly consider the term "client system" and "client" based on legally proper interpretations including the *Appellants' Specification and meaning given to the term by those of ordinary skill in the art.*

"Importantly, the person of ordinary skill in the art is deemed to read the claim term not only in the context of the particular claim in which the disputed term appears, but in the context of the entire patent, including the specification." *Phillips v. AWH Corporation*, No. 03-1269 (Fed. Cir. July 12, 2005) (en banc). "[I]n considering the disclosure of a reference, it is proper to take into account not only specific teachings of the reference but also the inferences which one skilled in the art would reasonably be expected to draw therefrom." *In re Preda*, 401 F.2d 825, 826, 159 USPQ 342, 344 (CCPA 1968)

Applicants' Specification clearly discloses a personal computer (Fig. 1, element 6) that is clearly understood by those of ordinary skill in the art as a client system and/or client. Even if one were to look to the Laor patent (U.S. 6,076,069), from which the current claims

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are copied, it is also clear that Laor discloses that a client system is directed towards a computer or device for requesting information. *See* Laor, Fig. 1, element 110; col. 1, lines 24-32 and col. 3, lines 34-45. A claim copied from a patent, if ambiguous, should be interpreted in the light of the patent in which it originated for purposes of determining whether a party has right to copy a claim. See MPEP 2301.01.

It is further evidenced that Appellants' Specification is consistent with Laor's disclosure of client and client system. When copying claims, Appellants submitted claim tables in Remarks dated June 21, 2001, showing support for all claim elements. In part, Applicant showed the personal computer as support for the claimed client and client system, and cited to Appellants' Specification *at least* at page 20, lines 8-22; page 14, line 18- page 15, line 10; and Fig. 1, element 6. The Examiner acquiesced in this as no §112 issues were raised for these terms. It is thus clear that the client system should be interpreted to include a personal computer.

The Examiner's rejection is based on a strained interpretation that a card assigned to a customer is a client system. For this, the Examiner relies on Nichtberger by stating:

“Additionally, in Nichtberger (col. 30 lines 1-6) it is implied that the coupon information in the first server is transmitted to the client system, which is the card. That the coupon information is transmitted is implied because the coupon information is stored electronically on both the first server system and the client system. And the information is ‘recorded’ on the second client system. Hence, the information must be transmitted in order to be recorded in a device where the information had not been.” Page 5 line 14-19.

A card, even a special card as disclosed in Nichtberger, does not imply a client system as disclosed by Appellants' Specification. Rather, the special card, alone or in combination with the smart card of Valencia, fail to disclose a “client” or “client system” as properly interpreted. For example, both Nichtberger and Valencia make it clear that a card reader is necessary to use the special card or smart card. Nichtberger recites:

At the checkout counter, the customer presents his special card or reminder (and, if appropriate, completed request for application) before the product checkout process begins. This is analogous to the conventional practice of presenting coupons before checkout begins. Since the special card also bears the customer number in "UPC" bar code format, it can be read automatically by the store's scanning system, as indicated at 72 (FIG. 4). Col. 17 lines 30-37

And Valencia recites:

The customer or the cashier would then place the customer's smart card 2 into a slot 64 provided in a reader/writer terminal 62 associated with each cashier. Col. 6 lines 24-31.

The card readers (e.g., the readers/ writers, and scanners) disclosed by both Nichtberger and Valencia associated with cashiers at a checkout counter are required in order for the card to work. A client or client system has no such requirement. The card itself is essentially a data storage device. The Examiner does not show how the card is used to request data from a server as claimed. Given this, the Examiner had failed to provide evidence that shows how a special card and/or smart card as disclosed in Nichtberger and Valencia, respectively, are the same as a client system as properly interpreted.

As expressed in the Appeal Brief of February 10, 2005, the Examiner's interpretation of a special card or smart card as a client system is baseless and inconsistent with the separate meanings, usage, and/or functions of a client system and a smart card. For at least this reason, the rejection of independent claim 47 and dependent claim 48-51 and 53-56 is improper and should be reversed.

2. the first server system being connected by a communications channel to a client system, a second server system connected to said communications channel

Even if the special card were to be interpreted as a client system, the rejection still fails because neither Nichtberger nor Valencia disclose, teach, or suggest the claim feature of "*the first server system being connected by a communications channel to a client*

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*system...[and] a second server system connected to said communications channel."* The Examiner does not even attempt to address the claim feature of a common "communications channel." For this reason alone, the rejection is fatally deficient.

The Examiner's Answer responds to Appellants' argument by stating:

However, Nichtberger clearly discloses that there are multiple server systems that interact with the client system for coupon distribution and redemptions (Fig. 1, item 10; Col. 4, lines 41-47). Hence, the user utilizing the client system can be transmitted coupons at one location by a first server system and redeem coupons at a different location by a second or different server system. *See* Examiner's Answer, page 23, lines 18-22.

The argument, however, does not address how the client system may interact with the first server at one location and interact with the second server at the different location using the same communications channel. The rejection fails to even address or show teachings that would suggest a common communications channel, much less a first and second server connected to the same communications channel to the client system. These features are significant and are reflective of the very different nature and purpose of the invention as compared with Nichtberger.

It appears that the Examiner interprets the local CDR unit (20) as the claimed "first server" and the checkout station (18) as the claimed "second server".<sup>1</sup> As discussed above, the Examiner regards the special card as the claimed "client system." Given the Examiner's interpretation, it would be necessary for the Examiner to show that the CDR unit (20), checkout station (18) and the special card would be connected by the same communications channel, in order to meet the claim feature. The Examiner does not even allege, much less establish, that the CDR unit (20) and checkout station (18) are connected using the same communications channel to the special card. The rejection simply fails to address this claimed feature. Rather, a special card belonging to a user is used separately by the CDR

<sup>1</sup> It is not admitted, nor is it clear, how the CDR 20 or checkout station 18 is a server.

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unit (20) and the checkout station (18) using separate card readers (e.g., reader/writer or scanner) located at the CDR unit (20) and the checkout station (18), respectively.

For example, the user inserts her card into a card reader at the CDR unit (20) in order to store and select coupons. She removes the card, and shops. See Nichtberger at col. 5, lines 4-7. After shopping, the user presents her card at the checkout station, where it is read by a separate card reader in order to redeem the selected coupons. In one embodiment, on which the Examiner relies, Nichtberger shows that information from the card may be read directly at the checkout station. See Nichtberger at col. 5, lines 17-25 and col. 30, lines 1-6. Thus, it is clear that if the card is a client system, the card is not connected to the CDR unit (20) and the checkout station (18) using the same communications channel. Accordingly, the Examiner has failed to teach or suggest the claim feature of "*first server system being connected by a communications channel to a client system...a second server system connected to said communications channel.*" The Examiner does not even allege that Valencia cures these deficiencies in the disclosure of Nichtberger, discussed above. Accordingly, the rejection of independent claim 47 and dependent claim 48-51 and 53-56 is improper and should be reversed.

3. the first server system being adapted for transmitting an electronic coupon to said client system, and the client system being adapted for storing said electronic coupon in said memory

The references further fail to disclose the claim element of "*the first server system being adapted for transmitting an electronic coupon to said client system ...and said client system being adapted for storing said electronic coupon in said memory.*" The Examiner's Answer states at page 24, lines 5-6, that "*Nichtberger (col. 30, lines 1-6) and Valencia (col. 7, lines 41-49) clearly disclose that the client system stores electronic coupon in said*

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*memory.*" The Examiner, however acknowledges that Nichtberger does not disclose the claim feature at page 5, lines 1-2 and page 22, lines 17-18 of the Examiner's Answer which state:

"Nichtberger does not explicitly disclose that the client system includes a computer processor and associated memory." *See* Examiner's Answer, at page 5, lines 1-2 and page 22, lines 17-18

The Examiner attempts to rely on Valencia to make up the deficiencies of Nichtberger. The rejection, alleges that Valencia includes a memory and computer processor for storing and processing information related to electronic coupons. The Examiner, however, fails to show a memory storing electronic coupons transmitted from a first server. Rather, Valencia discloses a smart card for tracking previous items purchased and account balance information, but not electronic coupons transmitted from a first server. The specific electronic coupons are stored at an in-store central computer system (70), not a memory of the smart card. The Examiner cites to passages of Valencia that relate to the smart card contents:

An integrated circuit card having a processor and an erasable, programmable memory, generally known as a "smart" card, would be issued to each customer, which would include the customer's identification number, and other personal information, as well as an amount of potential discounts, such as \$250 in its memory (hereinafter referred to as a smart card). *See* Valencia, col. 3 lines 13-20.

This passage fails to disclose the claim feature of storing an electronic coupon in memory. A balance of potential discounts is not electronic coupons. Still further, Valencia discloses:

It is important to note that, while it is possible that a customer would purchase and completely utilize the discounts available in a single trip to a retail establishment, the system and method according to the present invention contemplates that the customer would retain his or her smart card and utilize it during several trips to one or more retail establishments. Indeed, the fact that the information relating to this customer identification number, and the

products previously purchased by the customer, is maintained in the memory of the smart card, allows the customer to employ the smart card at various establishments which are not even linked to one another by a national, or central computer system.

*See Valencia, col. 9 lines 15-27.*

Residing in this system 70 is all of the information relating to a specific coupon value issued by the manufacturer, arranged to match the number sequence for each product in order to search and differentiate between items. *See Valencia, col. 7 lines 64-67.*

According to Valencia, the smart card maintains customer information, personal information, and discount account balance(s) while the in-store central computer system (70) stores the electronic coupons. Thus, Valencia fails to cure the deficiencies of Nichtberger because Valencia fails to disclose, teach, or suggest a client system memory adapted for storing electronic coupons. Even when combined, Nichtberger and Valencia do not teach or suggest each and every claim element. Accordingly, the rejection of independent claim 47 and dependent claim 48-51 and 53-56 is improper and should be reversed.

b. **There is no teaching, suggestion, or motivation to combine Nichtberger and Valencia**

The Examiner's Answer responds to Appellants' argument stating that there is no teaching, suggestion or motivation to combine Nichtberger and Valencia, by simply restating the rejection. *See Examiner's Answer, page 22, line 14- page 23, line 6.* The proposed modification fails to present a *prima facie* case of obviousness because there is no teaching, suggestion or motivation to combine the references. In a proper *prima facie* case of obviousness the proposed modification cannot change the principle of operation of a reference. In this case, Valencia would change the principle of operation of Nichtberger.

If the proposed modification or combination of the prior art would change the principle of operation of the prior art invention being modified, then the teachings of the

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references are not sufficient to render claims *prima facie* obvious. *In re Ratti*, 270 F.2d 810, 123 USPQ 349 (CCPA 1959). Nichtberger discloses an in-store coupon distribution and redemption unit (CDR), wherein customers make a selection from an electronic display of coupons valid for use in the store. The selected coupons may be stored or associated with a consumer's card, which may then be presented during checkout. See col. 5, lines 1-11. Thus, the consumer receives discounts based on the selected coupons when the consumer purchases corresponding products in that store.

Valencia, on the other hand, does not distribute coupons. Rather, electronic coupons and discounts are stored at an in-store central computer. Information regarding consumer identification number, personal information, products previously purchased, and account balance are stored on a smart card. Valencia fails to disclose the smart card storing selected electronic coupons. See col. 3, lines 14-20.

Since Valencia particularly avoids distributing electronic coupons (see Valencia, col. 2, lines 50-58), the modification of Nichtberger and Valencia would change the principle of operation of Nichtberger. Nichtberger relies on the CDR for the selection of coupons. See Nichtberger, col. 4, lines 34-41. Valencia does not even disclose a server for distributing coupons from which a user can select. The combination would render the CDR disclosed by Nichtberger useless in terms of allowing a consumer to select from a number of distributed coupons, thus changing the principle of operation of the Nichtberger.

Therefore, the Examiner's proposed combination fails to provide a proper *prima facie* case of obviousness. For at least this reason, the rejection of independent claim 47 and dependent claim 48-51 and 53-56 is improper and should be reversed.

2. *Independent claim 57 and dependent claims 58-60 are patentable under 35 U.S.C. §103(a) over Nichtberger in view of Valencia.*

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Independent claim 57 and dependent claims 58-60 are patentable under 35 U.S.C. §103(a) over Nichtberger in view of Valencia. Independent claim 57 recites some similar features as independent claim 47. The arguments regarding independent claim 47 and others may apply to independent claim 57.

In particular, the Examiner's interpretation of "client" is entirely inconsistent with the Appellants' Specification and meaning given to the term by those of ordinary skill in the art, as described above in relation to claim 47. Nichtberger and Valencia do not teach or suggest a "client" as disclosed by the Appellants' Specification. See Appellants' Specification, at page 15, lines 5-8.

Furthermore, the proposed modification fails to present a *prima facie* case of obviousness because there is no teaching, suggestion or motivation to combine the references, as described in detail above regarding claim 47.

Additionally, even if combined, Nichtberger and Valencia fail to teach or suggest all the claim elements. The Examiner fails to address a communications channel between a server, subsequent server and the client. Nor does the rejection address the claim feature of "*said subsequent server including one of said server and other servers; said client requesting information from said subsequent server.*" The Examiner, alleges that Nichtberger discloses multiple server systems located within each store that interact with the client system for coupon distribution and redemption. See Examiner's Answer, page 23, lines 18-19. However, there are two separate in-store stations, a local CDR unit (20) and a checkout station (18), located in each store. It is not clear that there are "servers" as the term should be properly construed.<sup>2</sup> Neither the CDR unit (20) nor the checkout station (18) includes other servers. Nichtberger also fails to disclose the feature of requesting information from said subsequent server. Valencia fails to cure the deficiencies in the Nichtberger. Thus, similar to

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the rejection of independent claim 47, the Examiner fails to teach or suggest each and every claim element of independent claim 57.

For *at least* these reasons, Appellants submit that none of the references cited by the Examiner, either alone or in combination, teach all of the elements of independent claim 57. Accordingly, the rejection of independent claim 57 and dependent claims 58-60 is improper and should be reversed.

**3. *Dependent claims 48-51, 53-56, and 58-60 are separately patentable over the combination of Nichtberger and Valencia.***

Appellants submit that dependent claims 48-51 and 53-56, are allowable because they depend from allowable independent claim 47 for at least the reasons set forth above, as well as for the further limitations they contain. Additionally, Appellants submit that dependent claims 58-60 are allowable because they depend from allowable independent claim 57 for at least the reasons set forth above, as well as for the further limitations they contain.

The Examiner's Answer fails to provide any substantial new arguments that were not already fully addressed in Appellants' Appeal Brief of February 10, 2005. The comments presented in the Appeal Brief are relied upon here for separate patentability of the claims. See Appeal Brief, pages 20-24. Therefore, the rejection on all the dependent claims, 48-51, 53-56 and 58-60, is improper and should be reversed.

**4. *Claims 52 and 63 are patentable over the combination of Nichtberger and Valencia, further in view of Cameron.***

**1. Claim 52**

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<sup>2</sup> For example, in Nichtberger, the operation center is more analogous to a server than the local station 10.

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Claims 52 and 63 have been rejected over the combination of Nichtberger in view of Valencia and in further view of Cameron. As set forth in the Appeal Brief, Cameron is not even analogous art. The Examiner provides no argument to the contrary. Moreover, there is no suggestion to combine Cameron with the base references. The Examiner's Answer attempts to demonstrate the *relevance* of Cameron to Nichtberger and Valencia by stating on page 25, lines 17-19, that "*Cameron discloses utilizing coupons throughout the Cameron disclosure. Cameron, Nichtberger, and Valencia all disclose features for utilizing coupons. Therefore, Cameron is analogous art to Nichtberger and Valencia.*" The Examiner's "reasoning" and conclusion are incorrect because use of common features is not the relevant test for combinability. Just because two or more references have something in common with each other does not necessarily mean that the references may be properly combined in an obviousness rejection.

Obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. *In re Fine*, 837 F.2d 1071, 1074, 5 U.S.P.Q. 2d (BNA) 1596, 1598-99 (Fed. Cir. 1988). In this case, there is no teaching, suggestion or motivation to further modify the already improper combination of Nichtberger and Valencia, as detailed above, with Cameron. There is no teaching within the references themselves which would motivate the combination. Additionally, it would not be obvious to one of ordinary skill in the art to combine a computerized network order entry and fulfillment system (Cameron) with an in-store couponing system (Nichtberger).

Assuming *arguendo* that Nichtberger, Valencia and Cameron could be combined, the rejection would still be improper as the three-reference combination would still fail to teach or suggest all of the claim elements. In particular, the addition of Cameron fails to cure the

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deficiencies of the Nichtberger/Valencia combination discussed above with regard to independent claim 47. For at least these reasons, the rejection of claim 52 is improper and should be reversed.

2. Claim 63

Independent claim 63 recites a remote personal computer connected to a first server system over the Internet. As detailed above, the Examiner's rejection fails to demonstrate any teaching, suggestion, or motivation to modify the already improper combination of Nichtberger and Valencia, as detailed above, with Cameron. There is no teaching within the references themselves which would motivate the combination. Additionally, it would not be obvious to one of ordinary skill in the art to combine an computerized network order entry and fulfillment system with an in-store couponing system.

*Assuming arguendo* that there was a teaching, suggestion, or motivation to modify the already improper combination of Nichtberger and Valencia to further include the teachings of Cameron, the rejection would still be improper as the three-reference combination would still fail to teach or suggest all of the claim elements. In particular, the addition of Cameron fails to cure the deficiencies of the Nichtberger/Valencia combination discussed above with regard to independent claim 47 and 57. For at least these reasons, the rejection of claim 63 is improper and should be reversed. For example, the Examiner completely fails to address the fact that the "card" of Nichtberger is not a remote personal computer as specifically claimed.

5. *Claims 47-63 are patentable over Von Kohorn in view of Saigh.*

Claims 47-63 are patentable under 35 U.S.C. §103(a) over Von Kohorn in view of Saigh for at least the reason previously cited in Appellants' Appeal Brief of February 10,

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2005, regarding non-analogous art. The claims are patentable for *at least* the reasons that: (a) the Examiner relies on non-analogous art for the rejection of claims 47-63; and (b) assuming *arguendo* that the art is not deemed non-analogous, the Examiner has still failed to set forth a *prima facie* case of obviousness because the references relied upon by the Examiner, even when combined, fail to disclose, teach or suggest all of the elements of claims 47-63.

**a. The Examiner Relies on Non-Analogous Art for the rejection of claims 47-63.**

The Examiner's Answer fails to establish that Von Kohorn and Saigh are analogous references, thereby rendering his rejection deficient. (See Examiner's Answer, at page 26, lines 12- page 28, line 12). The Examiner's Answer cites to selected passages within Von Kohorn and Saigh in an attempt to demonstrate the relevance of both Von Kohorn and Saigh to Appellants' claims. This is not the proper test. For example, the Examiner's Answer states on page 28, lines 10-12, that "both Von Kohorn and Saigh provide information and content to the user that can include promotions, advertising, and coupons. Therefore, Von Kohorn and Saigh are analogous art relevant to the Appellants' claims."

Just because a potential prior art reference may have something in common with the claimed invention does not necessarily mean that the reference qualifies as prior art that can be considered in an obviousness analysis. To the contrary, only "analogous art" may be considered. The examiner has not shown that any of the references upon which it relies qualify as analogous art. Absent such a showing, these references cannot be used in a Section 103 defense. *Wang Labs., Inc. v. Toshiba Corp.*, 993 F.2d 858, 864, 26 USPQ2d (BNA) 1767, 1772-73 (Fed. Cir. 1992).

The identification of analogous art is a factual inquiry that requires determining (a) "whether the art is from the same field of endeavor" as the invention, and if not, (b) "whether

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it is still reasonably pertinent to the particular problem to be solved." *Wang Labs.*, 993 F.2d at 864 (citation omitted). This two-step analysis frequently demonstrates that references that might appear relevant to a claimed invention are not analogous and therefore may not properly be considered.

Many examples demonstrate this. The Federal Circuit confirmed that the art of petroleum extraction is not analogous to the art of petroleum storage despite both being in the petroleum industry. *In re Clay*, 966 F.2d 656, 659-60, 23 USPQ2d (BNA) 1058, 1060-61 (Fed. Cir. 1992). Fasteners for garments are not analogous to fasteners for a hose clamp. *In re Oetiker*, 977 F.2d 1443, 1447, 24 USPQ2d (BNA) 1443, 1446 (Fed. Cir. 1992). Paper stapling is not analogous to surgical stapling. *U.S. Surgical Corp. v. Hospital Prods. Int'l Pty., Ltd.*, 701 F. Supp. 314, 334 (D. Conn. 1988), 9 U.S.P.Q.2d (BNA) 1241, 1257-58 . Single in-line memory modules (SIMMs) for an industrial controller is not analogous to SIMMs for personal computers. *Wang Labs.*, 993 F.2d at 864. Railway car brakes are not analogous to automotive vehicle brakes. *SAB Industri AB v. The Bendix Corp.*, 199 USPQ 95, (E.D. Va. 1978), (BNA) 1978 WL 21435. These cases are important here because many, if not all, of the references that the Examiner relies on are not analogous to the claimed invention.

1. *The references are outside Appellants' field of endeavor.*

Von Kohorn and Saigh do not relate to Appellants' field of endeavor for claims 47-63 which relates to electronic distribution of secure, trackable, money saving or discount coupons and other marketing incentives, and in particular to the use of a centrally located online computer system for interactively distributing such coupons to remotely connected consumer computers and/or for collecting user-specific data regarding coupon usage and user

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demographic information from the remote computer to eliminate fraud. *See Specification*, e.g., page 1 lines 3-10; page 8 lines 17-25 and page 9 lines 11-15.

In response to non-analogous argument the Examiner's Answer cites passages which appear to address distribution of broadcast signals related to television game or quiz shows, wherein prizes relating to various products may be won. *See Examiner's Answer*, page 28, lines 3-6. Thus, by the Examiner's own admission, Von Kohorn is primarily concerned with a television broadcast system, not an interactive coupon distribution system. Additionally, prizes are an auxiliary component to the main purpose of Von Kohorn, which is to quantify and measure impact of advertisements. For example, the Examiner's Answer cites col. 2 lines 45-57, col. 5 lines 56-61; col. 22 lines 1-11, which disclose game or quiz shows wherein incentives may be won:

Persons exposed to the stimulus of a television, radio or printed advertisement or other promotion are given an opportunity to respond to a task, such as the selection of an advertised product or to provide an answer to a question. Following a response, such persons receive a token having value, such as a coupon carrying a discount on the product featured in the advertisement. In the case of a correct answer to a question, a shopper's response is entered in a programmed response unit, which evaluates and scores the response and which prints a discount coupon specifying the advertised product. *See col. 2, lines 45-57.*

FIG. 29 is a block diagram of a further embodiment of the invention wherein a central station and a set of remote playing stations are employed to conduct a wagering game including the issuance of coupons, or other form of wagering record, in a forgery proof system; *See col. 5, lines 56-61.*

The degree of difficulty will normally determine the value of the prize, etc. The device evaluating the responses may dispense records, e.g. coupons, certificates and the like of different value or in different denominations. For instance, it may issue a 10 cent coupon at level 1, and 25 cent coupon at level 2, and a 50 cent coupon at level 3. The coupons may be redeemed in retail establishments, the coupons being similar to those contained in newspapers. *See col. 22, lines 1-11.*

These and the other passages cited in the Examiner's Answer including (1) col. 74 lines 33-55; (2) col. 47 line 40- col. 48 line 2; and (3) col. 2 lines 45-52 are directed to

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measuring the impact of stimuli on individuals and quantifying effects of advertising using televised game shows. *See* Examiner's Answer page 28, lines 3-6. Von Kohorn is not primarily directed to a coupon distribution system. Von Kohorn's mention of coupons does not necessarily mean Von Kohorn is within Appellants' field of endeavor. For example, the coupons in Von Kohorn are not seen to be secure or trackable nor is there an interactive couponing system. *See* Von Kohorn, col. 1 lines 20-24. As such the Examiner has failed to meet the burden of establishing at least this prong of the test.

Saigh also is outside the inventors' field of endeavor. The Examiner's Answer alleges that the following passages of Saigh show relevance to the present invention: (1) col. 1 lines 38-41; (2) col. 5 lines 20-30; (3) col. 14 lines 60-65; (4) col. 8 lines 3-6; and (5) col. 8 lines 59-61. Again, this is not the proper legal test. None of the cited passages show a system for interactive distribution of secure, trackable coupons, and/or the collection of user-specific data regarding coupon usage from the remote computers. Rather, they are more concerned, generally, with the distribution and publication of information from a central database system to multiple receiving remote users. *See* col. 1 lines 13-16 ("The present invention relates to a system for distributing information in electronic form and more particularly, relates to a communication network for transmitting information between a central information bank and a user interface.") The Examiner has not even alleged that Saigh relates to security of the transmitted information or tracking of user activity. Rather, the Examiner has merely cited passages within Saigh that have the keyword "coupon" or "promotions." Citing these passages alone do not show how Saigh, as a whole, is directed to the same field of endeavor.

2. *The references are not reasonably pertinent to the particular problem(s) with which Appellants were involved.*

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Since Von Kohorn and Saigh are outside the inventors' field of endeavor, the test becomes whether the references are reasonably pertinent to the particular problems with which the inventor is concerned. Neither Von Kohorn nor Saigh are reasonably pertinent to the problems addressed by the inventors. The problems with which Appellants are involved include, for example, deterring fraud in connection with an interactive coupon distribution system, and tracking user activity. *See Appellants' Appeal Brief*, at pages 28-29 for a more complete list.

As previously noted in the Appellants' Appeal Brief of February 10, 2005, the Examiner cites no evidence that a person of ordinary skill in the art would reasonably have expected to solve the problems addressed in the present invention (see complete list on page 28-29 of Appeal Brief) by considering the problems addressed in either Von Kohorn or Saigh. The Examiner's Answer also fails to produce such evidence. Rather, the Examiner attempts to cite selected passages in both Von Kohorn and Saigh having the keyword "coupon" included within them. However, neither references is concerned with determining coupon fraud. This makes sense, in part, because neither reference is primarily a coupon distribution system.

As detailed above, Von Kohorn is directed to the problem of quantifying the effects of advertising. *See Von Kohorn, col. 1, lines 43-49 and lines 55-58 cited below:*

It therefore is an object of the present invention to quantify the initial impact and the continuing effectiveness of advertising on shoppers with respect to an identified advertisement in terms of the purchase of the advertised product. It is another object to measure the magnitude of sales which are lost and are excluded from a shopper's intended purchases. col. 1 lines 43-49

It is another object of the invention to quantify the impact on shoppers of a number of controlled variables of an advertising or promotional campaign, individually or in combination. col. 1 lines 55-58

Von Kohorn is not concerned with deterring fraud in print-at-home coupons, nor does Von Kohorn address the problem of tracking user activity. Nor is Von Kohorn even a

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couponing system. Coupons are ancillary to the main issue related to measuring the effects of stimuli.

Saigh is concerned with providing improved dissemination of proprietary information. See Saigh, col. 2 lines 56-60 cited below:

Widespread use of the present invention should greatly simplify, and reduce the costs associated with, the publication and distribution of information. Particularly, the present architecture reduces the amount of time and resources required for the distribution of information. See col. 2 lines 56-60.

The Examiner does not even address the issue that Saigh is not concerned with security of the transmitted information, much less deterring fraud in print-at-home coupons. Nor does the Examiner even allege that Saigh relates to tracking user activity.

A person having ordinary skill in the art would not reasonably have expected to consider the references because the subject matter with which Von Kohorn and Saigh are concerned, logically would not commend themselves to an inventor's attention in considering the present problem solved. For example, to solve the problem of generating unique, secure, trackable coupons to deter the possibility of fraud, one of ordinary skill in the art would not logically have considered the problem of quantifying the effects of advertising or the problem of providing networks with more efficient dissemination of information.

The Examiner's Answer has failed to provide evidence that shows the two reference are analogous. For at least the foregoing reasons, Von Kohorn and Saigh are non-analogous to the invention of claims 47-63. The rejection based thereon should therefore be reversed.

- b. The references relied upon by the Examiner, even when combined, fail to disclose, teach or suggest all of the elements of claims 47-63.

Assuming *arguendo* that there was a teaching, suggestion, or motivation to combine the two references, the rejection would still be improper as Von Kohorn and Saigh fail to

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disclose, teach, or suggests all the claim elements of claim 47-63. In particular, as mentioned in the Appeal Brief of February 10, 2005 and Appellants' Amendment filed April 6, 2004, and again here, the Examiner's rejection fails to disclose, teach, or suggest at least the feature of independent claims 47, 57, 61, 62, and 63, which include the claim element of a second (or subsequent) server detecting electronic coupon stored on the client (client system) and said second (or subsequent) server adapted to redeem the electronic coupon.

The Examiner attempts to cite to multiple passages within Von Kohorn to support the rejection, however, none of the cited passages disclose, teach, or suggest the claimed features. For example, the Examiner alleges, in the Examiner's Answer, at page 28, line 21- page 22, line 4, that Von Kohorn discloses redemption information transferred electronically at col. 40, lines 10-15. However, this passage, which is reproduced below, does not appear to disclose, teach or suggest a second (or subsequent) server detecting electronic coupon stored on the client (client system) and said second (or subsequent) server adapted to redeem the electronic coupon, included in independent. The passage is directed to transmitting authentication information to a redemption center from a central station, not detecting electronic coupon stored on the client for redemption:

Sweepstakes symbols determined at a central location may be provided electronically or otherwise to redemption centers, together, when required, with a formula for identifying an acceptable correlation with symbols on a winning coupon, thus identifying such a coupon as one qualifying for sweepstakes prize. See col. 40, lines 10-15.

The Examiner's citation of the above passage, along with other cited passages, have been cited out of context from the complete Von Kohorn disclosure. For example, Von Kohorn further discloses at col. 39, lines 54-59, that a sweepstakes contestant may attempt to redeem a coupon by visiting the redemption center, not by the second (or subsequent) server establishing a connection with client system for detected electronic coupon stored on the client for redemption:

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Even if the sweepstakes symbols are transmitted to the home of a contestant and are immediately printed on a winning coupon, the following method may be employed to compel such contestant to visit a redemption center, such as a supermarket in order to ascertain whether he or she has won a sweepstakes prize. *See col. 39, lines 54-59*

For at least the reasons that the passages relied upon by the Examiner do not disclose, teach, or suggest the feature of a second (or subsequent) server detecting electronic coupon stored on the client (client system) and said second (or subsequent) server adapted to redeem the electronic coupon, Appellants submit that the rejection of independent claim 47, 57, 61, 62 and 63 is improper, and should be reversed.

Additionally, the Examiner acknowledges that Von Kohorn does not explicitly disclose that the coupon information on the client is electronically transferred to the central server system. *See Examiner's Answer at page 30, lines 11-12.* The Examiner goes on to state that, “*...it would have been obvious to one having ordinary skill in the art at the time the invention was made to add Von Kohorn's two way communications between the client and server system to Von Kohorn's server system utilizing client system information for marketing analysis.*” *See Examiner's Answer at page 30, lines 18-22.* Furthermore, the Examiner alleges without support that, “*...it is implied that in order to change the coupon information on the client system, the presence of the coupon on the client system must be detected. The system must be able to detect the coupon in order to change the coupon. Therefore, Von Kohorn discloses detecting the electronic coupon stored on the client system.*” *See Examiner's Answer at page 31, lines 10-14.* None of these statements, nor the passages in Von Kohorn cited by the Examiner, however, disclose, teach, or suggest the features of the claimed invention. As such, Appellants maintain that the rejection of independent claims 47, 57, 61, 62, and 63 is improper, and should be reversed.

With regard to independent claim 63, assuming arguendo that Von Kohorn and Saigh are found to be analogous, there is no legally proper teaching, suggestion or motivation to

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modify Von Kohorn to include the teachings of Saigh. Claims 63 is directed toward distribution of coupons over the Internet. The Examiner's Answer responds at page 32, lines 5-7 and alleges that, "*Von Kohorn discloses utilizing a home computer in communication with other computers by way of networks utilizing cable connections or telephone connections.*" The Examiner has mischaracterized Von Kohorn. For example, the reference does not disclose a network of computers, much less a home computer in communications with other computers. Von Kohorn, at col. 47, lines 40-47, recites:

Frequently, in television programs listing items of merchandise and services available to viewers, sometimes referred to as Videotext, interested viewers who are potential buyers have the opportunity to request additional or supplemental information over cable connections such as cable or telephone connections used for home computers. See col. 47, lines 40-47.

As such, the cable and telephone connection are used for television transmissions. No network of computers is disclosed. The Examiner attempts to add Saigh to Von Kohorn to provide Von Kohorn with further communications capabilities via the Internet. However, the Examiner does not present a legally proper foundation for such a combination. The general allegation that the Internet is a far reaching network and readily available (See Examiner's Answer at page 32, lines 14-15) does not adequately reflect why it would have been obvious to modify the particular system and method of Von Kohorn, which discloses measuring the effects of televised advertisements. Moreover since Von Kohorn is based on a television broadcast system, this would teach away from Saigh. This is a classic case of hindsight with no evidentiary support for a suggestion to combine.

Even if there was a teaching, suggestion, or motivation to modify Von Kohorn to include the teachings of Saigh, the rejection would still be improper as the two references, even when combined, would still fail to teach or suggest all of the claim elements. In particular, the addition of Saigh to Von Kohorn fails to cure the deficiencies of Von Kohorn

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discussed above. For at least these reasons, the rejection of claim 63 is improper and should be reversed.

c. **Dependent Claims 48-56 and 58-60 are patentable over Von Kohorn in view of Saigh.**

Appellants submit that dependent claims 48-56 and 58-60, are allowable because they depend from allowable independent claims for the reasons set forth above, as well as for the further limitations they contain. The Examiner's Answer fails to provide any substantial new arguments that were not already fully addressed in Appellants' Appeal Brief of February 10, 2005. The comments presented in the Appeal Brief are relied upon here for separate patentability of the claims. *See Appeal Brief, page 34-37.* Therefore, the rejection on all the dependent claims, 48-56 and 58-60, is improper and should be reversed.

C. **An Interference should be declared between the above-identified application, and U.S. Patent No. 6,076,069 to Laor.**

For at least the reason that the claims are supported by the specification, patentable over the alleged prior art, and copy one or more issued claims from U.S. Patent No. 6,076,069 to Laor, an interference-in-fact exists. Accordingly, Appellants request that such an interference be declared between the above-identified application, and U.S. Patent No. 6,076,069 to Laor.

To the extent that the Examiner continues to allege unpatentability of the pending claims under 35 U.S.C. §103, Appellants note that the U.S. Patent Office, for consistency, should institute a reexamination of U.S. Patent No. 6,076,069 to Laor.

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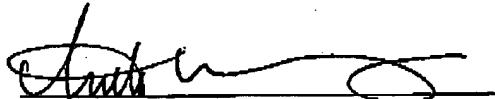
**CONCLUSION**

Appellants now appeal to this Honorable Board to promptly reverse these rejections and issue a decision in favor of Appellants. All of the claims are in condition for allowance.

Respectfully submitted,

PILLSBURY WINTHROP SHAW PITTMAN LLP

Date: August 29, 2005

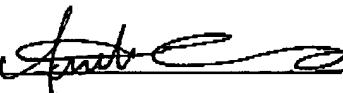


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